

teachings pertaining to “motivational and positive reinforcement” are well-known, and that the exemplary teachings of Thomas concerning behavior management are sufficient to have led a skilled artisan to supply the model-viewing step. Thus, in the PTO’s view, the foregoing claims would have been obvious to the skilled artisan.

With respect, applicants point out that the present claims do not broadly claim a step of “motivational and positive reinforcement,” or even a “rewarding system” to encourage a user, such as a child, to “perform selected behaviors” as taught by Thomas. Nor do the inventions of the present claims merely define systems and methods that encourage users “to be well prepared for the test.” Rather, the present claims are directed to systems and methods that include very specific step involving multiple limitations, e.g., *viewing a model removing an article of clothing in the event that a question presented to the user is answered correctly*. Such steps are not merely a “reward” that is “selected from an electronic catalog”. Nor are the model-viewing steps a “reward” provided to a user to motivate the user to perform selected behaviors (Thomas, col. 4, lines 20-23, e.g.). These specific steps are not mere “design choices”, and are not suggested by the teachings of Thomas.

Furthermore, the model-viewing step is clearly intended for the use of adults, not children (hence the teaching to control access to the application and/or model sites used according to the application, such as by means of the control system disclosed in the ‘172 patent to Piccionelli et al. [see application paragraph 0045]). Thus, a routineer would not have been motivated to turn to Thomas in order to combine that reference’s teachings with the teachings of Rachman et al., and even if the routineer had (for some unknown reason) made the combination, the result would not have been a method or system as presently claimed.

Turning now specifically to claims 24 and 44, the teachings of Rachman and Thomas are devoid of the slightest suggestion to view a model removing an article of clothing when a question is answered correctly, still less to provide an instruction to the model to remove an article of clothing. By the same token, with respect to claim 45 and 65, the cited references are silent concerning providing any request for selecting an article of clothing to be removed by the model, or selecting an article of clothing in response to such a request. Nor do the cited references suggest instructing a model to remove an article of clothing when a question is answered correctly, as recited in claim 64. *A fortiori*, the cited references fail to suggest viewing the model removing such a selected article of clothing.

Regarding claim 7, again the cited references fail to suggest the recited step of viewing a

model removing an article of clothing in the event that a question is answered correctly. As to claim 22, which is dependent on claim 7 and ultimately on claim 1, although the PTO has grouped this claims with several others in discussing a rejection under §103(a), applicants point out that the PTO has not specifically rejected this claim. Applicants respectfully request that the PTO specify a basis, if any, for rejecting the claim. Applicants here note that, in addition to the limitations discussed above in the context of claims 1 and 7, which are not disclosed or suggested by the cited art, claim 22 includes additional limitations that also are not disclosed or suggested by Rachman or Thomas. These limitations include the step of receiving both a notification that the answer provided to the question is correct and a request to select an article of clothing to be removed by the model, and also the step of selecting the article of clothing to be removed.

As to claims 8-10 and 46, applicants point out that the following additional limitations of the claims are not disclosed or suggested by the cited art: linking to a model site that permits viewing a model (claims 8, 46); activating the link when the application is opened (claim 9); and selecting an article of clothing to be removed when the question is answered correctly (claim 10). Claims 8-10 and 46 thus are not suggested by the cited references for these additional reasons.

Concerning claims 25, 26 and 50, again the following additional limitations are not disclosed or suggested by the references of record: receiving a request for selection of an article of clothing to be removed by the model (claims 25, 26); selecting an article of clothing to be removed (claims 25, 26); opening the application on a storage medium provided by the user when the central site is accessed via a network (claim 26); and linking to a model site that permits viewing a model (claim 50, as it depends on claim 46). The foregoing claims thus are not suggested by the cited references for these additional reasons.

Regarding claims 66, 67, 69 and 70, the computer applications of claims 1 and 44 are not suggested by the cited references, as shown above, and thus portable storage media comprising such applications likewise are not suggested.

In view of the foregoing, it is respectfully submitted that claims 1, 7-10, 22, 24-26, 44-46, 50, 64-67, 69 and 70 are patentably distinguished over the combined teachings of the Rachman and Thomas references.

Applicants further direct the PTO's attention to the attached copy of an article published in the journal XBiz World (January 2007, page 12). This article, entitled "Striptease Classroom", reports the development of a commercial product which appears to read directly on one or more claims of the present application. The "Naughty American History" application appears to include opening an educational application that includes a plurality of questions pertaining to a subject (as reported, American politics, past and current events, etc.); answering at least one question included in the application; and viewing a model (as reported, a "virtual professor") remove an item of clothing when the question is answered correctly. Thus, the reported application appears to read directly on one or more of the present claims, e.g., present claim 1. Accordingly, even if the cited references somehow establish a *prima facie* case of obviousness with respect to one or more of the present claims (which applicants deny), the published report of the "Naughty American History" application constitutes an objective indicium of unobviousness.

Accordingly, applicants submit that claims 1, 7-10, 22, 24-26, 44-46, 50, 64-67, 69 and 70 are not rendered obvious over the teachings of Rachman and Thomas. Withdrawal of the §103(a) rejection on this basis is earnestly solicited.

Applicants also note that claims 13 and 62 appear not to have been rejected by the PTO, and submit that these claims are in condition for allowance. Should the PTO take the position that one or both of these claims are unpatentable, applicants request that the PTO specify a basis for such a position.

In view of the foregoing remarks, it is submitted that all present claims are in condition for allowance. Should the Examiner have any questions, kindly contact the undersigned at the telephone number indicated.

Respectfully submitted,


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4/23 /2008
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Additional information on XBIZ Hollywood '07 Industry Conference, page 5

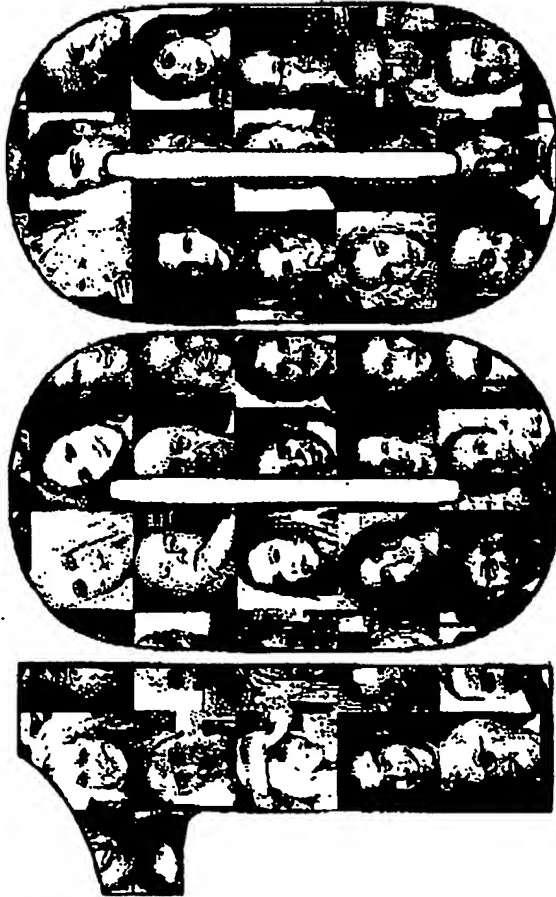


LARRY FLYNT -
XBIZ HOLLYWOOD '07
CONFERENCE FINALE
KEYNOTE SPEAKER
Larry Flynt will be the
final keynote speaker on
Thursday, Feb. 8.



THE 100 TOP OF 2006

ADULT INDUSTRY
NEWSMAKERS



As the adult industry enters a new year, it would be remiss not to reflect back on 2006, its high points and low points, and take stock of some of the news-makers, noisemakers and headline grabbers that XBIZ reported on in the past 12 months.

THE TOP 100 ADULT INDUSTRY NEWSMAKERS OF 2006 STARTS ON PAGE 64

Mainstream Crossover: A Plus or Minus?

THE FRONT OFFICE:
*More workers aren't
so reluctant*

BY ALEX HENDERSON

Much has been written about major figures in adult entertainment who have crossed over to the mainstream in some respect. Larry Flynt and Hugh Hefner have had plenty of business pursuits that were not erotica-related, and alt-porn icon Joanna Angel writes a column for Spin magazine. But what about those who have done it the other way around — those who crossed

SEE CROSSOVER on page 100

INDUSTRY & PERSONAL

STAINING AN

COPA Ruling Is Due

Are filters a better solution to weed out CP?

PHILADELPHIA — A ruling in the Child Online Protection Act case is expected early in 2007.

The case, which pits a host of plaintiffs represented by the ACLU against the U.S. government, will determine the constitutionality of the 1998 law that — if enforced — mandates age verification for websites containing material considered "harmful to minors."

In late November, U.S. District Judge Lowell Reed heard closing arguments in the COPA case after a four-week trial.

The bench trial represents a last ditch effort on the part of the government to save the controversial law that imposes



"We know what adult men and women on the internet want," Naughty America's Mark B said.

Striptease

News Gets Worse for iBill's Parent

DEERFIELD BEACH, Fla. — Interactive Brand Development's business activities have slowed so much that the company in the last quarter saw a cash overdraft of \$104,000, while it struggled with a working capital deficit of \$32.4 million.

iBill's parent also revealed in a Securities and Exchange Commission filing that its revenue was only three digits — \$133 — in the period July-September. One week earlier, the company told regulators it had made \$82,000 in the past six months.

Further, the filing revealed that iBill had summary and default judgments of approximately \$4.4 million in adult webmaster cases this year.

XBIZ was unable to reach iBD officials for comment.

The Deerfield Beach, Fla., SEE iBILL on page 112

Extreme's

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NICK TU

TECHNICAL ASSISTANT
JOE ROGERS

considered "harmful" to minors.

In late November, U.S. District Judge Lowell Reed heard closing arguments in the COPA case after a four-week trial.

The bench trial represents a last ditch effort on the part of the government to save the controversial law that imposes a \$50,000 fine and up to six months in prison for webmasters who fail to comply. According to attorneys for the ACLU, which originally

1% of Sites Contain Sexually Explicit Content

PHILADELPHIA — No more than 1 percent of all websites worldwide contain sexually explicit material, according to a study commissioned by attorneys for the Department of Justice.

The study was presented as evidence by the government during the ongoing Child Online Protection Act (COPA) trial, which will determine the constitutionality of the law. If enforced it would require adults to use access codes or credit cards to verify age before viewing material considered to be "harmful to children" and impose a \$50,000 fine and six months in prison for webmasters who fail to comply.

According to attorneys for the ACLU, which originally

SEE STORY ON PAGE 118

"We know what adult men and women on the Internet want," Naughty America's Mark B said.

Striptease Classroom

NEW SITE: Naughty America finds traffic in educational affiliate campaign

SAN DIEGO — Naughty America's Dusty Lillo is aiming for high marks with Naughty AmericanHistory.com, a new marketing vehicle to educate surfers in a virtual classroom and link them to other Naughty America-branded sites.

"We're attempting to reach a whole new market," Lillo told XBIZ. "This is another new marketing hook for our affiliates."

Naughty American History allows surfers to select a virtual professor — male or female — and answer questions on American politics, past and current events and other trivia. With each correct response, the questions increase in difficulty and an item of the teacher's clothing is removed. Later, the site allows a redirect to other adult sites, including NaughtyBookworms.com.

While Lillo wouldn't reveal traffic figures, he said that Naughty America's latest marketing attempt allows the means to reach millions worldwide in a short amount of time.

"This is less expensive compared to traditional marketing strategies, and we can reach a wide-range demographic," Lillo said. "This absolutely has exceeded our expectations."

Naughty America's Mark B added that the company has a finger on the pulse of the average Internet consumer. "We know what adult men and women on the Internet want," Mark B said.

that still had summary and default judgments of approximately \$4.4 million in adult webcam cases this year.

XBIZ was unable to reach IBD officials for comment.

The Deerfield Beach, Fla., SEE BILL ON PAGE 112

Extreme's Obscenity Trial Is Delayed

PITTSBURGH — The federal judge who will decide the U.S. government's obscenity case against Extreme Associates owners Robert Zicari and Janet Romano has agreed to continue pretrial filings.

U.S. District Court Judge Gary Lancaster granted the joint motion for the extension of time after a 10-minute telephone status conference in mid-November with U.S. Attorney Stephen Kaufman and defendants' attorney Louis Sirkin.

Lancaster ordered the extension of time until Feb. 1 and deemed it an excludable delay under the Speedy Trial Act.

Zicari and Romano, better known in the adult business as Rob Black and Lizzie Borden, were first indicted in 2003 for distributing three videos via the mail and six images over the Internet, all alleged by SEE EXTURDICE ON PAGE 115

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MICHELLE GIRA

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